

3 High-Yielding Energy Stocks You Can Count On

Description

As history shows, dividend-paying stocks outperform non-dividend-paying stocks over the long term. It is for this reason that all investors should own at least one dividend-paying stock, and depending on your age, investment goals, and risk tolerance, maybe even a portfolio full of them. With this in mind, let's take a look at three energy stocks with yields up to 5% that you could buy today.

1. Ensign Energy Services Inc.: 5% yield

Ensign Energy Services Inc. (TSX:ESI) is one of the largest oilfield service providers to the world's energy industry. It pays a quarterly dividend of \$0.12 per share, or \$0.48 per share annually, giving its stock a 5% yield at today's levels.

It is also important to note that Ensign has increased its dividend for 20 consecutive years, and its ample funds from operations, including \$179.15 million in the first half of fiscal 2015, and low payout ratio, including 20.5% in the first half, could allow this streak to continue in 2016.

2. Peyto Exploration & Development Corp.: 4.2% yield

Peyto Exploration & Development Corp. (<u>TSX:PEY</u>) is one of the largest natural gas exploration and production companies in Alberta's Deep Basin. It pays a monthly dividend of \$0.11 per share, or \$1.32 per share annually, giving its stock a 4.2% yield at today's levels.

Investors should also note that Peyto has increased its dividend in each of the last two years, and its ample funds from operations, including \$279.84 million in the first half of fiscal 2015, and low payout ratio, including 36.9% in the first half, could allow this streak to continue in 2015.

3. Boralex Inc.: 3.85% yield

Boralex Inc. (TSX:BLX) is one of the leading producers of renewable energy in Canada, the United States, and France. It pays a quarterly dividend of \$0.13 per share, or \$0.52 per share annually, giving its stock a 3.85% yield at today's levels.

It is also worth noting that Boralex has maintained this quarterly rate since it first began paying a dividend in the first quarter of 2014, but its increased amount of cash flow from operations, including 44.1% year-over-year growth to \$70.25 million in the first half of fiscal 2015, could allow for a significant bump in the very near future.

Which of these dividend-payers should you buy?

Ensign, Peyto, and Boralex are three of the best dividend-paying investment opportunities in the energy sector. Foolish investors should strongly consider establishing positions in one of them today.

CATEGORY

- 1. Dividend Stocks
- 2. Energy Stocks
- 3. Investing

TICKERS GLOBAL

- 1. TSX:ESI (Ensign Energy Services Inc.)
- 2. TSX:PEY (Peyto Exploration & Development Corp)

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